

**RULES  
OF  
TENNESSEE DEPARTMENT OF HUMAN SERVICES  
COMMUNITY AND FIELD SERVICES DIVISION**

**CHAPTER 1240-7-1  
LOW INCOME HOME ENERGY ASSISTANCE PROGRAM**

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**1240-7-1-.01 DEFINITIONS.** For purposes of this chapter and for the administration of the LIEAP Program, the following definitions shall apply:

- (1) *Administrative Appeal.* An appeal to the local contracting agency for a hearing, which may be requested by an applicant who is dissatisfied with the disposition of his/her application for LIEAP assistance, except when the application is denied due to a lack of funds available.
- (2) *Department.* Tennessee Department of Human Services.
- (3) *Elderly.* An individual who is 60 years of age or older.
- (4) *Handicapped.* Any person who has a physical or mental impairment which substantially limits one or more major life activities such as caring for one's self, performing manual tasks, walking, seeing, hearing, speaking, breathing, learning, or working.
- (5) *Home Delivered Energy Supplier.* Energy suppliers who deliver coal, wood, fuel oil, kerosene, and L.P. gas to households.
- (6) *Home Energy.* A source of heating or cooling in residential dwellings.
- (7) *Household.* Any individual or group of individuals living together as one economic unit and responsible for their residential home energy.
- (8) *Household Income.* Total annual cash receipts before taxes from all sources; money wages and salaries before any deductions; net receipts from nonfarm or farm self-employment (receipts from a person's own business or from an owned or rented farm after deductions for business or farm expenses); regular payments from social security, railroad retirement, unemployment compensation, strike benefits from union funds, workers' compensation, veteran's payments, training stipends, alimony, child support, and military family allotments or other regular support from an absent family member or someone not living in the household; private pensions, government employment pensions (including military retirement pay), and regular insurance or annuity payments; college or university scholarships, grants, fellowships, and assistantships; and dividends, interest, net rental income, net royalties, periodic receipts from estates or trusts, and net gambling or lottery winnings. Also, Black Lung benefits will be considered income, except for the first twenty dollars of each monthly benefits. Specifically, excluded from income are utility allowances provided to public housing and Section 8 tenants; capital gains, any assets drawn down as withdrawals from a bank, sales of property, a house, or a car; one-time payments from a welfare agency to a family or person who is in temporary financial difficulty; tax refunds, gifts, loans, lump-sum inheritances, one-time insurance payments, or compensation for injury. Also excluded are noncash benefits, such as the employer-paid or union-paid portion of health insurance or other employee fringe benefits, food or housing received in lieu of wages, the value of food and fuel produced and consumed on farms, the imputed value of rent from owner-occupied nonfarm or farm housing, and such Federal noncash benefit programs as Medicare,

(Rule 1240-7-1-.01, continued)

Food Stamps, school lunches, and housing assistance. The earnings of a child under fourteen years of age; payments to Vista volunteers; income received under Title V of the Older Americans Act; direct benefits received by participants in the Foster Grandparents Program; and the value of child care services paid by the Department of Human Services and received by client households are also excluded from income. Finally, no assets test will be used to determine income eligibility.

- (9) *LIEAP*. Created by the Omnibus Budget Reconciliation Act of 1981 (Public Law 97-35), as amended; the Low Income Energy Assistance Program is designed to provide assistance to offset the high rise in energy costs to eligible low income households.
- (10) *Local Contract Agency*. Any local public or private non-profit agency which receives funds for the Low Income Home Energy Assistance Program under contract with the Tennessee Department of Human Services.
- (11) *Owners*. Households who own or are purchasing their dwelling unit and who are responsible for their own energy costs and are making direct payments to home energy suppliers for energy.
- (12) *Prioritization*. A system used by the contract agency to ensure that the lowest of income household receives assistance first.
- (13) *Poverty Level*. Households whose incomes are at or below the 125% of the current poverty guidelines established by the US Office of Management and Budget.
- (14) *Renters*. Households who are renting their dwelling and who are responsible for paying their own energy costs to home energy suppliers or for making payments for actual energy consumption as an undesignated portion of their rent. The household may live in a single dwelling unit or multi-family unit.
- (15) *State Plan*. Document issued each fiscal year of operation by the Department of Human Services which includes the policies and procedures for the administration of the Low Income Energy Assistance Program.
- (16) *Tenants*. Households who reside in public housing units or subsidized housing.
- (17) *Weatherization*. Making home repairs and energy saving improvements for households to minimize heat loss and improve thermal efficiency. Components include repairs to stop heat loss through air infiltration; and the installation of a balanced combination of energy saving home improvements, including attic and floor insulation and storm windows.

**Authority:** TCA §§4-5-202; 71-1-105; 71-1-105(12); 71-5-401 et seq.; Public Acts of 1984; Chapter 852; 42 USC §8621 et seq. **Administrative History:** Original rule filed October 17, 1984; effective November 16, 1984. Amendment filed January 9, 1990; effective May 1, 1990. Amendment filed July 26, 2000; effective October 9, 2000.

**1240-7-1-.02 ELIGIBILITY REQUIREMENTS.** To be eligible for assistance under the Low Income Energy Assistance Program as administered by the Department of Human Services, the following requirements must be met.

- (1) *General Eligibility Requirements*. To be eligible, all applicants must meet the following requirements:
  - (a) *Residency*. The applicant must be a current resident of the State of Tennessee.
  - (b) *Income*. The applicant's household's total gross income must not exceed 125% of the poverty income guideline for a household of the same size, as established by the Federal Office of Management and Budget. The applicant must provide proper documentation to verify household income.

(Rule 1240-7-1-.02, continued)

- (c) **Responsible Party.** The applicant must provide the name of the household's home energy supplier and the household's account number with said supplier, or satisfactory documentation of actual energy consumption.
  - (d) **Providing Information.** The applicant must provide all relevant information within his/her knowledge regarding the household's energy needs, consumption, and supplier as requested by the Department.
  - (e) **Disconnected Utilities.** Assistance to emergency heating applicants with disconnected utility service resulting from past due bills is prohibited, unless the LIEAP assistance in combination with other resources will provide for the reconnection of the utility service.
  - (f) **Level of Assistance.** Applicants may only receive heating assistance (i.e., regular or emergency heating assistance), and summer crisis intervention assistance on a one-time basis during any fiscal year which shall begin on July 1 and end on the following June 30.
- (2) ***Special Eligibility Requirements For Summer Crisis Intervention Assistance And Emergency Heating Assistance.*** In addition to the general eligibility requirements, applicants for summer crisis intervention assistance and emergency heating assistance must meet the special eligibility requirements established in the LIEAP State Plan. These requirements are subject to change based on revisions in applicable federal regulations, federal funding levels, and comments received during annual public hearings.

**Authority :** TCA §§4-5-202; 71-1-105; 71-1-105(12); 71-5-401; Public Acts of 1984; Chapter 852; 42 USC §8621 et seq. **Administrative History:** Original rule filed October 17, 1984; effective November 16, 1984. Amendment filed September 19, 1985; effective December 14, 1985. Amendment filed January 9, 1990; effective May 1, 1990. Amendment filed July 26, 2000; effective October 9, 2000.

**1240-7-1-.03 APPLICATION PROCESS.** All individuals wishing to do so shall be allowed to apply in writing for benefits and/or Weatherization assistance. A written application, on a form provided by the Department, must be completed by the applicant prior to a determination of eligibility. The policies and procedures for application intake, including the dates during which applications are received, are included in the LIEAP State Plan. These policies and procedures are subject to change based on revisions in applicable federal regulations, federal funding levels, and comments received during public hearings.

**Authority:** TCA §§14-1-105, 14-21-101, 71-1-105(12), and 71-21-101; Public Acts of 1984, Chapter 852; 42 USC §§8621 et seq. **Administrative History:** Original rule filed October 17, 1984; effective November 16, 1984. Amendment filed September 19, 1985; effective December 14, 1985. Amendment filed January 9, 1990; effective May 1, 1990.

**1240-7-1-.04 INELIGIBLE HOUSEHOLDS.** The following households/individuals are not eligible for LIEAP assistance:

- (1) SSI recipients living in "congregate" care or "dormiciliary" care facilities or foster care placements who receive SSI state supplements which correspond to these living arrangements;
- (2) Individuals In Public Or Private Institutions Whose Living Costs Are Subsidized By State Or Local Government. Examples of such individuals include, but are not limited to:
  - (a) Residents of vocational education facilities whose living costs are subsidized; and
  - (b) Persons in nursing homes or medical institutions for whom Medicaid pays over 50% of costs.
- (3) Residents Of Group Living Facilities.

(Rule 1240-7-1-.04, continued)

**Authority:** TCA §14-1-105; Public Acts of 1984, Chapter 852; 42 USC §§8621 et seq. **Administrative History:** Original rule filed October 17, 1984; effective November 16, 1984. Amendment filed September 19, 1985; effective December 14, 1985. Amendment filed January 9, 1990; effective May 1, 1990.

**1240-7-1-.05 BENEFIT LEVELS.** Benefit levels shall be based upon four (4) factors - total household income; energy burden (i.e., percent of household income expended for home energy costs); number of household members; and presence of vulnerable household members (i.e., frail elderly, disabled and infants). The policies and procedures concerned with benefit levels are included in the LIHEAP State Plan. These policies and procedures are subject to change based on revisions in applicable federal regulations, federal funding levels, and comments received during annual public hearings.

**Authority:** TCA §§4-5-202; 71-1-105; 71-1-105(12); 71-5-401; Public Acts of 1984; Chapter 852; 42 USC §8621 et seq. **Administrative History:** Original rule filed October 17, 1984; effective November 16, 1984. Amendment filed September 19, 1985; effective December 14, 1985. Amendment filed January 9, 1990; effective May 1, 1990. Amendment filed July 26, 2000; effective October 9, 2000.

**1240-7-1-.06 WEATHERIZATION.**

- (1) Local contract agencies are required to refer LIEAP applicants to the Department's Weatherization Assistance Program (WAP) if they indicate an interest in and willingness to apply for WAP assistance.
- (2) All LIEAP referrals to the WAP must be made in accordance with the Department's policies.

**Authority:** TCA §§14-1-105, 14-21-101, 71-1-105, and 71-21-101; Public Acts of 1984, Chapter 852; 42 USC §§8621 et seq. **Administrative History:** Original rule filed October 17, 1984; effective November 16, 1984. Amendment filed September 19, 1985; effective December 14, 1985. Amendment filed January 9, 1990; effective May 1, 1990.

**1240-7-1-.07 RIGHT TO APPEAL.**

- (1) Any applicant who feels he/she has been aggrieved by a decision of the Department or of a local contracting agency may file an administrative appeal with the local contracting agency, provided, however, that an applicant may not appeal if the application is denied due to a lack of funds available.
- (2) Each local contracting agency shall establish procedures for granting administrative appeals and conducting hearings pursuant to this section. An applicant shall follow such procedures in pursuing his/her appeal.
- (3) If the applicant is not satisfied with the decision of the local contracting agency following the administrative appeal, or is denied an administrative appeal pursuant to paragraph (1), he/she may appeal to the Department for a fair hearing in accordance with Chapter 1240-5-3.

**Authority:** TCA §14-1-105; Public Acts of 1984, Chapter 852; 42 USC §§8621 et seq. **Administrative History:** Original rule filed October 17, 1984; effective November 16, 1984.